The President's News Conference With Prime Minister Silvio Berlusconi of Italy in Rome, Italy *July* 23, 2001

Prime Minister Berlusconi. Good afternoon, everyone. I am very happy to extend my welcome to President Bush during his first visit to Rome. It's as a friend that I receive him in a free country, a democratic country, that has always been a friend of the United States of America, which with the United States of America has had for over 50 years a very special cooperation based on the feelings of the Atlantic Alliance, the European Union.

Our country is a country that looks to the United States of America with a recognition that must be steadfast, a recognition that derives from a very profound feeling, Mr. President, of those who are aware of the fact that precisely thanks to your country, to your great democracy, to the young lives that the Americans sacrificed in Italian territory over 50 years ago, Italy ended a very dark moment where totalitarianism had got rid of freedom. And thanks to the sacrifice of the United States and its Allies, we were able to reach democracy, freedom, and we had a period of over half a century in freedom, democracy, and in prosperity.

Therefore, with the feelings of a very great friend, where we recognize the feelings that are at the basis of the American feelings, with the same values that are the basis of your political action, that we receive you, Mr. President. And we, as we know in Genoa, have spent very special moments in Genoa, moments that I will always remember with great pleasure.

And I must tell you that in Genoa I admired the way that you opened up towards others. I have to tell you that you conquered American journalists. You conquered everyone, because you were so spontaneous, so natural. It was such a frank way to say things, because yes is yes, no is no.

In politics, we weren't used to seeing all this, and we were always beating around the bush, and we were taking things from the left or the right, up, down, and so on. With President Bush, everything is simple. And at the very end, all the other leaders truly appreciated the manner in which you were pragmatic. You were concrete, and that is how you faced all of the problems.

And I also must add—and here I will end—I, who had already directed a G-8 in Naples 7 years ago, found a new atmosphere, a more positive atmosphere with a greater closeness amongst leaders. And I made this reflection: I said, "It is almost a miracle today, at the beginning of a new century, at the beginning of a new millennium, of having around a table people looking at each other in their eyes, with faith and with friendship." We have the Prime Minister of Japan, the President of the United States of America, the Prime Minister of Germany, and the Presidents of England, France, and Italy, and again, the United States President and the President of the Russian Federation.

Only 13 years ago the world was divided in two. There were two ideologies, a wall in the middle, and we thought that planned and collective economies could be a competitive economy against our system of free markets and free enterprise. How the world has changed.

And therefore, I have to tell you that as a citizen, an anybody, I must say that from Genoa, from the talks with President Bush and the other leaders, just by the way you had these relationships with the other leaders in such a frank and open way, we have greater hope. The world today is much more safe than it was a

few years ago. And we can truly build, construct for our peoples, but for other peoples as well, calling them within the virtuous cycle of trade, of exchanges, as friends, with faith, with confidence. We can definitely build a better world.

And thank you to history, in this sense. And in this specific instance, I must say thank you to President Bush.

President Bush. Mr. Prime Minister, thank you very much. Perhaps the interpreter got it wrong when she says that my performance at the G–8 conquered the American press. [Laughter] If so, I would expect their stories to reflect it from now on. But one thing is for certain: On this, my first trip as President to Italy, I've really enjoyed myself. I can see why so many Americans choose Italy as a place to visit—its fantastic history, beautiful buildings and monuments, and wonderful people.

Mr. Prime Minister, I appreciate your leadership, as well. We share an entrepreneurial spirit. We understand the role of the entrepreneur in our societies. After all, this good man came from humble beginnings to not only build a business enterprise that employs thousands of people but also had the courage to seek political office. And I firmly believe the people of Italy will be well-off with my friend as their leader.

And I've got some experience to say that, because I saw him at the G–8. We had meetings where there was nobody else in the room except the leaders of the industrialized world. We had good and honest discussions. But the Prime Minister was a pro, an expert at encouraging dialog and expressing his opinion.

I want to thank the people of Genoa again for the sacrifices they made. I want to thank the law enforcement officials for providing security. I appreciate the Prime Minister and his government for making available the opportunity for those of us who lead our respective nations to come together and have a good, frank dialog, to talk about ways to improve relations

amongst ourselves, as well as ways to help those nations not as fortunate as we are. You deserve a lot of credit, Mr. Prime Minister

Secondly, we've had good discussions today about our bilateral relations. We've got great trade between our nations, and we work together to make sure that trade continues. We've got good military cooperation between our respective lands, and we'll continue to do so. I reconfirmed to the Prime Minister that which I said in NATO, that America came into the Balkans with our friends, and we will leave with our friends. And I appreciate so very much the Italian leadership in the Balkans, not only the general who led our troops at one point in time but, as well, the troops that are still there. Our two nations comprise a large part of the force in keeping the peace.

I also want to say something about the development in Indonesia. The people of Indonesia, by addressing their leadership crisis under their Constitution and laws, have shown commitment to the rule of law and democracy. We hope all parties will work together to maintain peace, support the Constitution, and promote national reconciliation.

We appreciate President Wahid's work the last 2 years in leading Indonesia through its democratic transition. We look forward to working with President Megawati and her team to address Indonesia's challenges of economic reform, peaceful resolution of separatist challenges, and maintaining territorial integrity.

Mr. Prime Minister, once again, thank you for your friendship, and thank you for the friendship of the Italian people with the American people.

Prime Minister Berlusconi. Thank you. There were agreements, and we drew the journalists that are going to ask the questions. The name that was given to me is the name "Mr. Dennis Ismore."

Meeting With Pope John Paul II/Italy-U.S. Relations

Q. Mr. President, was it a surprise for you to hear today from the Holy Father on his declarations on manipulations of embryos? And how do you intend to take it into consideration as you examine the decision about Federal funds to research, especially in view of what you've said before regarding your decision?

And to Prime Minister Berlusconi: The relationship between Italy and the United States, does it go through Europe, or on what topics do you believe that Italy has a privileged and specific role? Because the communique was not very precise on this.

President Bush. We have the two-question strategy. [Laughter] A person is allowed to ask one question, but they manage to convert it to two. I suspect that may be the case with some of the American press, as well.

First, let me say how honored I was to be able to be in the presence of the Holy Father. It was a moment I was looking forward to because of his profound impact on the world. He's an extraordinary man who is, by virtue of his leadership and his conscience and his presence, has not only affected political systems but affected the hearts and souls of thousands of people all around the world. And it's hard to describe—I'm not poetic enough to describe what it's like to be in his presence.

Nor was I surprised to hear his strong, consistent message of life. It's been his message ever since he's been the Holy Father. He's never deviated. He sent a consistent word throughout the church and throughout society that we ought to take into account the preciousness of life. I hear that message from his cardinals and bishops throughout our country. One of the things about the Catholic Church that I admire, it's a church that stands on consistent and solid principle. And of course, I'll take that point of view into consideration as I make up my mind on a very difficult issue con-

fronting the United States of America. It's the need to balance value and respect for life with the promise of science and the hope of saving life.

And so I will go back home, after what has been a very successful trip, continue to listen to points of view, and make up my mind when I'm ready to. And when I do, I'll make the case to the American people.

Prime Minister Berlusconi. As far as the question that was asked, I think that the statement comprises all of the sectors where we all have the same views, and therefore, we have the same political identity that derives from the same values, from the same way of looking at things and the events in the world. I think that this is the basis of a cooperation that can be a very tight one, indeed.

As far as the European Union, we know that the European Union wants to have a task force that will cooperate and work with NATO. It asks NATO to provide the elements that the task force in the beginning would not have on its own, but again, with cooperation and working with NATO. And I do believe that this is something positive, because it would not be logical, it would not be possible to continue, for NATO to come in, intervene on its own in all of those situations that arise in the world in order to make sure that they go in to take care of those wounds that become chronic ulcers.

Therefore, I think that it's fair that if Europe wants to become politically strong, that it wants to express itself with a single voice, I was saying it should have its own military force. However, I believe that this military force must be fully synchronized with the NATO forces. And it might be able to intervene by itself with preventative agreements with NATO, so that NATO does not have to face every single situation in the world.

As far as the United States, it's a very intense trade relationship in both directions. Last week we signed an agreement

for a greater cooperation in technological and scientific research. I believe that this can be useful even in difficult situations, like the situations of the factors that increase the temperature on the planet. I think that every single topic, every single situation should go back to the fundamental agreement that is born from the historic reasons that I mentioned, and which consolidates itself due to the fact that we have a common basis of values and principles and today also due to the human liking and the sympathy that we have, that has developed between the President of the Italian Government and the President of the United States.

President Bush. This man is from NBC, Mr. Prime Minister, NBC.

Stem Cell Research

O. Mr. President, I'd like to return to the issue of your decision regarding stem cell research. I was struck by the fact that the Pope specifically condemned the creation of embryonic stem cells for the purpose of research, when in fact one central element of what you're grappling with is the research on existing stem cells. Can you elaborate on what you two discussed in that regard? Are there areas that you're considering that he did not address? And I'm not asking you to provide us with what you're going to do, but can you at least share with us what options are out there, what compromises you might be looking at?

President Bush. David [David Gregory, NBC News], I think it's important for the American people to know that I take this issue very seriously, because it is an issue that, on the one hand, deals with so much hope, hope that perhaps through research and development we'll be able to save lives. It's also an issue that has got serious moral implications. And our Nation must think carefully before we proceed. And therefore, my process has been, frankly, unusually deliberative for my administration. I'm taking my time.

I frankly do not care what the political polls say. I do care about the opinions of people, particularly someone as profound as the Holy Father. But I will tell you that the first time the subject came up was when he read his statement at the palace, at his summer palace. And my discussions with the Holy Father were more about foreign policy. He was interested in my view of the world and my discussions with President Putin, for example. He was most interested in what went on at Genoa.

And so his statement was very consistent, a consistent part of the philosophy that the Catholic Church has embraced. But that's the only time it came up, Dave.

Q. [İnaudible]—options——

President Bush. Well, I'm thinking about all options, but I'm thinking about them privately. In all due respect to a great—one of several great news organizations, I'd rather not be expressing, laying my options out on the air, because I have yet to reach a conclusion. And when I do, I will lay it out to you. I don't know if you'll be first, but I'll lay it out to the American people.

And the American people will know that this decision has been made in all due deliberations, with sound deliberations, that it's an important decision. And I think people understand that it is that way, and it's important for America to fully understand the ramifications. And time has helped people understand the complexities of the issue. And when I get back, I will continue my deliberations, and when I'm ready, I will lay out my decision.

National Missile Defense

Q. Mr. President, yesterday there was a step ahead made in the relations between Russia and the United States for the defense missile systems. Don't you think that the United States and President Bush perhaps need a better—a more explicit support from its European Allies in this type of dialog? Are you willing to do this, as opposed to other European countries? You

have been talked for about \$60 billion to \$100 billion of investment for the strategic missile defense. Will you share some of that money with European companies, in investments in technology and, especially, with some of the Italian companies? They're very advanced in that.

Thank you.

President Bush. We did have a major discussion about how best to keep the peace. I was really pleased with the conversation I had with President Putin. It was the second such conversation I've had, and we're making good progress toward understanding. And the understanding is that the cold war is over: Russia is not the enemy of the United States and that freedom-loving people should address the true threats of the 21st century. And those threats are, amongst other things, the ability of a rogue nation to have weapons of mass destruction, which could affect the United States or Italy or Russia or anybody else who embraces freedom.

And it seems to me that we must do the research and development necessary, research and development prohibited by the current treaty that codifies the old cold war mentality of distrust. And we have yet to do that. We have yet to fully explore the opportunities and options available to not only the United States but our allies as to how to keep the peace.

So it's premature for me to answer not only how much the systems will cost but who will participate. I will tell you this: The spirit of collaboration and cooperation should indicate to our friends and allies that we're more than willing to cooperate. We've discussed the issue, and I'm so much thankful to my friend for being supportive and forward-leaning when others have been skeptical.

And in the appropriate time, when we figure out the best way to address the true threats, which is the ability to intercept twos—launches of twos or threes that could hold us hostage and affect all our foreign policies—then we will work on the develop-

ment. And the development of the systems may very well entail cooperation with our friends and allies. I'm very openminded on this subject.

Prime Minister Berlusconi. As President Bush has just mentioned, in Brussels, during the NATO meeting, I spoke, and then I spoke at Göteborg during the dinner that we shared. And I said that I was in agreement with what President Bush had said very clearly. The world scene has changed. There is no antagonism between Europe and the United States, on the one hand, and the Soviet Union on the other hand. The Soviet Union is something different.

And we're very interested as Europeans with the support of the United States; we look to a progressive journey of the Russian Federation. Maybe tomorrow, the day after, the Russian Federation might even become part of the European federation, where we have countries that share a common Christian civilization. And I believe that in the future we will also be able to speak of a Russian Federation that becomes part of the Atlantic Alliance.

Our enemies are elsewhere. Potentially, our enemies are elsewhere. Of course, we know that we will need some time before certain countries that do not give us full confidence will be able to build strategic weapons with a range that allows them to go to far-off places like the United States. But undoubtedly, the situation is worrisome, and I believe that it would be logical to preserve the security of Europe and the United States, making sure that we keep an eye on these potentialities, on these dangers.

I think that President Bush was extremely clear when he said that these topics the United States is willing to talk about with the European Allies. On our side, I think that this is something that must be done. We have said this. We will always be next to the United States in order to take part in this discussion, going well beyond the attitudes of certain European states, which still, today, have not, in my

opinion, understood how the world has changed and how we should start worrying about the future.

Q. Mr. President, if I could follow up on missile defense. It seems there was a little bit of ambiguity about what happened yesterday. Does the agreement that you reached with President Putin yesterday commit your administration to slowing down or in any way delaying the development of missile technologies and the withdrawing from the ABM Treaty until after the two nations have reached an agreement about both offensive and defensive systems? Or will you just continue to develop these technologies and withdraw from the treaty when you see fit?

And Mr. Prime Minister, if I could just follow up, how important is an agreement, a formal agreement between Russia and the United States on these matters to Europewide support of the U.S. developing these technologies?

President Bush. Since it's your country, I'll give you the last word. I have told President Putin that time matters, that I want to reach an accord sooner rather than later, that I'm interested in getting something done with him. That's my first priority. The American people, our friends and allies, and others should take me for my word when I said in the campaign, and since being the President, that I will consult with our friends and allies, that I will work with Russia. But make no mistake about it, I think it's important to move beyond the ABM Treaty. I would rather others come with us, but I feel so strongly and passionately on the subject about how to keep the peace in the 21st century, that we'll move beyond, if need be.

But first things first, Terry [Terry Moran, ABC News], and that is to give President Putin and our friends and allies ample time to discuss, consider, and understand what I'm trying to say. My friend has been quick to grasp the notion about changing the security arrangements in the world. But others who have said that mutually assured

destruction will keep the peace in the future—it's worked in the past; therefore it should be around in the future—need some time to understand the full implications about which we're discussing. And I understand that—particularly President Putin, his nation has been bound by the treaty. It's a treaty, of course, that—from which either party can withdraw with ample notice. And I can understand why he wants time, and I'm going to give him some time.

But I also want to emphasize to you that time is of the essence. It is time to move beyond. It is time to begin the research and development, which we have yet to do—the research and development, constrained by the ABM Treaty, to determine that which is feasible. And it's important to do so for a couple of reasons.

One, it's important to discard the old cold war mentality. And I explained that to President Putin, and I believe he understands that America is no longer Russia's enemy, that we have a chance to fashion a new strategic framework beyond just missile defenses, a strategic framework that says we'll reduce our own offensive weapons, a strategic framework that says we'll cooperate on security matters, particularly as it relates to terrorist activities, a security relationship where we'll work for safer nuclear storage and safer nuclear energy. It is a different framework, a different frame of mind that I truly believe will make the world a more peaceful place.

And since I feel it so strongly, if we can't reach an agreement, we're going to implement. It's the right thing to do. It's what I told the American people we're going to do. It's what I've explained to our allies we're going to do.

But I believe we've got a great opportunity to welcome others into the strategic framework. You saw the President yesterday. I thought he was very forward-leaning, as they say in diplomatic-nuanced circles. We signed an agreement. That should say something about the intentions and about how far we've progressed on this issue.

Mr. Prime Minister.

Prime Minister Berlusconi. I have to confirm the judgment on the President on this, and I can also bear witness to the fact that during the G–8 Summit, we spoke about this topic. In fact, in a bilateral meeting, I met President Putin and, with the invitation of the other allies, I, in fact, spoke about the problem of the atomic potential in his country. I began expressing the preoccupation of the Western world vis-a-vis the nuclear stations in Russia, because here we're talking about the maintenance of the old ones and the building codes for new nuclear stations.

President Putin said that he would face this very openly. He spoke to us about their plans for these places, and he also said that he will continue to cooperate with Western technicians as far as the building codes of the new plants. And after that, we spoke, and I must say that I spoke to him directly on the atomic potential. But here I would like to digress.

We also have to understand the physiological aspect for the President and for his people. They come from a past. They were a world power. They had a very strong fall, as far as their economy was concerned. Their global revenue is well below the other countries of the G–7, but they still have that old pride. And above all, they have that atomic stockpile that is still an extraordinary one. It's huge. Therefore, we must be very tactful.

We must take the entire situation into account, the psychological and actual situa-

tion. We must proceed with patience on a road, which is the one expressed by President Bush, that cannot be hurried on. But the reactions that we saw from President Putin make us believe that we will be able to cooperate. And I think that we're on the right path in order to reach an agreement that would obviously imply certain modifications in the existing treaty. And I believe that this can all be done without unilateral measures.

On the other hand, President Bush also confirmed the will of the United States of America to talk with the allies, to not do anything without having a discussion with the allies first. So I believe that this is an issue that has been well placed and is on the right path.

President Bush. Thank you.

Note: The President's news conference began at 2:52 p.m. at the Villa Dona Pamphilj. In his remarks, he referred to former President Abdurrahman Wahid and President Megawati Sukarnoputri of Indonesia; President Vladimir Putin of Russia; and Pope John Paul II. Prime Minister Berlusconi referred to Prime Minister Junichiro Koizumi of Japan; Chancellor Gerhard Schroeder of Germany; Prime Minister Tony Blair of the United Kingdom; President Jacques Chirac of France; and President Carlo Azeglio Ciampi of Italy. Prime Minister Berlusconi spoke in Italian, and his remarks were translated by an interpreter.

Message to the Congress Transmitting a Report on the National Emergency With Respect to Terrorists Who Threaten To Disrupt the Middle East Peace Process *July* 23, 2001

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c),

and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-